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Internet:

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SPECIAL EDITION February

Fraudulent Unemployment Insurance/ Reemployment Assistance Claims On The Rise



In a large-scale scam erupting in the midst of the Coronavirus (COVID-19) pandemic, imposters are filing claims for unemployment insurance (in the state of Florida, the program is called Reemployment Assistance) benefits using the names and personal information of people who have not filed claims. People learn about the fraud when they receive a notice from their state unemployment benefits office or their employer about their supposed application for benefits.

If this happens to you, it means someone is misusing your personal information, including your Social Security number and date of birth. The FBI has seen a spike in fraudulent unemployment insurance claims complaints related to the ongoing COVID-19 pandemic involving the use of stolen personally identifiable information (PII).

U.S. citizens from several states have been victimized by criminal actors impersonating the victims and using the victims' stolen identities to submit fraudulent unemployment insurance claims online. The criminals obtain the stolen identity using a variety of techniques, including the online purchase of stolen PII, previous data breaches, computer intrusions, cold-calling victims while using impersonation scams, email phishing schemes, physical theft of data from individuals or third parties, and from public websites and social media accounts, among other methods. Criminal actors may use third parties or persuade individuals who are victims of other scams or frauds to transfer fraudulent funds to accounts controlled by criminals.

Many victims of identity theft related to unemployment insurance claims do not know they have been targeted until they try to file a claim for unemployment insurance benefits, receive a notification from the state unemployment insurance agency, receive an IRS Form 1099-G showing the benefits collected from unemployment insurance, or get notified by their employer that a claim has been filed while the victim is still employed.

Unemployment insurance fraud is any false statements or failure to disclose a material fact, knowingly made for the purpose of obtaining or preventing payment of benefits contrary to the provisions of the law. Unemployment insurance fraud is a third-degree felony and can result in serious consequences for the claimant.

When a fraud determination is issued:

- Claimant may be required to repay the overpayment with a 15% penalty.
- Will be disqualified from receiving future benefits (a disqualification can be imposed on a week by week basis up to a one-year period).
- May have the case referred to the State Attorney for prosecution, which can result in a charge of grand theft or a misdemeanor.

Prosecution and conviction of unemployment insurance fraud may result in the claimant being required to serve jail time, make restitution, be placed on probation or some type of pretrial intervention, and serve community hours.

The FBI advises the public to be on the lookout for the following suspicious activities:

- Receiving communications regarding unemployment insurance forms when you have not applied for unemployment benefits.
- Unauthorized transactions on your bank or credit card statements related to unemployment benefits.
- Any fees involved in filing or qualifying for unemployment insurance.
- Unsolicited inquiries related to unemployment benefits.
- Fictitious websites and social media pages mimicking those of government agencies.

Tips on how to protect yourself:

- Be wary of telephone calls and text messages, letters, websites, or emails that require you to provide your personal information or other sensitive information, especially birth dates and Social Security numbers. Be cautious with attachments and embedded links within email, especially from an unknown email sender.
- Make yourself aware of methods fraudsters are using to obtain PII and how to combat them by following security tips issued by the Cybersecurity and Infrastructure Security Agency, including:
 - Avoiding Social Engineering and Phishing Attacks
 - Protecting Against Malicious Code

Unfortunately, fraudulent unemployment claims have already impacted some Pinellas County Unified Personnel System (UPS) employees. Human Resources is working to contest the suspected fraudulent claims. Here are steps Pinellas County UPS employees should take in the event they are or suspect they may be a victim of a fraudulent reemployment claim:

1. Immediately notify management. Keep a record of who you spoke with and when.
2. Notify the Pinellas County Human Resources Department and ask for Jim Valliere.
3. Notify your local law enforcement agency.
4. Report the fraud to the Florida Department of Economic Opportunity (DEO) and learn more about Reemployment Assistance fraud at <https://floridajobs.org/Reemployment-Assistance-Service-Center/reemployment-assistance/claimants/fraud-and-overpayments>.
5. Report the fraud to the Florida Attorney General's office at <http://myfloridalegal.com/identitytheft>.
6. Visit <https://www.identitytheft.gov> to report the fraud to the Federal Trade Commission and get help with the next important recovery steps.
7. Review your credit reports often.
8. Review victim's rights at <https://www.pcsoweb.com/victims-rights>.

The Florida Department of Economic Opportunity (DEO) needs your help preventing Reemployment Assistance/unemployment insurance fraud and abuse. Your assistance directly strengthens DEO efforts to ensure Florida employers' tax dollars are spent wisely and Reemployment Assistance benefits only go to eligible claimants.

Sources:

<https://www.fbi.gov/news/pressrel/press-releases/fbi-sees-spike-in-fraudulent-unemployment-insurance-claims-filed-using-stolen-identities>
<https://floridajobs.org/Reemployment-Assistance-Service-Center/reemployment-assistance/claimants/fraud-and-overpayments>
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